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CAUTIONARY HINTS  
TO  
CONGRESS  
RESPECTING THE SALE  
OF THE  
WESTERN LANDS,  
BELONGING TO THE  
UNITED STATES.

SECOND EDITION.

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## CAUTIONARY HINTS.

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BY the treaty of peace, and the cessions of the several states in the union, the United States possess an extent of territory out of the jurisdiction of any state, and hitherto unsettled, equal to, or perhaps more than, the territory of all the states in the union together. The constitution of the United States provides, that Congress shall have power to dispose of, and make all needful rules and regulations respecting that territory : and it appears from a late report of a committee in Congress, that it is in contemplation, as soon as a peace is concluded with the Indians, to make sale of those lands, or a part of them, for the purpose of discharging the national debt.

There can be no doubt, that the cessions of the several states were made with a view to this great object, nor that the lessening and final discharge of the national debt is of the first importance to our political happiness. It may, however, be well worthy of consideration, whether it ought to be effected, altogether in this mode, at once, or by degrees ; since it is possible, that a precipitate endeavour to remove the burthen from our shoulders, may entail a heavier grievance upon the nation.

It appears from some late documents, that the revenue of the United States is at present so considerable, as to leave a surplus of 600,000 dollars for the last year, even after defraying the burthens of the Indian war, the building of frigates, and other armed vessels, &c. and the expence attending the late call of the militia to suppress the insurrection in Pennsylvania. The estimates for the Indian war, frigates and fortifications, amounted the last year to the sum of 4,197,227 dollars. The expence of the call of militia I have seen estimated at 1,122,569 dollars.— From the fair prospect which, we are given to expect, there is now before us, of peace, both at home and abroad, there is reason to hope, that if we shall not be wholly liberated from these burthens, they will be greatly diminished in the course of the present

and ensuing years. I am not enough acquainted with official details and estimates to fix the sum, which will be annually saved to the United States, if this hope prove not abortive ; but supposing 1,000,000 dollars sufficient to defray the expence of a peace establishment,\* (and I should hope it was doubly sufficient,) there would remain a surplus of 4,319,796 dollars, which, added to the 600,000 dollars surplus, now said to exist, would constitute a fund of nearly 5,000,000 of dollars for the redemption of the national debt, amounting to about 80,000,000 of dollars, which would redeem the debt in *sixteen years*, were the whole funded at 6 per cent. But as one third of the original debt carries no interest, and the interest thereon, which has been funded, carries an interest of 3 per cent. only, five millions of dollars in specie would at the present price of 3 per cents. and deferred 6 per cents. in the market, purchase 8,333,333 dollars; consequently, if one half the national debt, or 40,000,000 consist in these kinds of stock, that proportion would be redeemed in less than five years, from this fund, if applied to the purchase of this description of the debt, before the time arrives when the deferred 6 per cents. bear an interest. At the end of five years we may very reasonably conclude, that the revenue, without a single additional duty or tax, would, from the bare increase of commerce, and of excised spirits made in the United States, produce at the least one million of dollars more, in aid of the sinking fund. But without this additional aid, the most common arithmetician may see, that the remaining 40,000,000 would be redeemed in *eight* years time, making in all *thirteen* years for the complete redemption of the whole debt. But upon the ground I have taken, it would be redeemed in much less time, as will appear,

|                                                                                                                                                           | DOLLARS.   |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| Sum paid the first year                                                                                                                                   | 6,000,000. |
| Four years interest on 6,000,000 dollars, at 6 per cent. which may now constitute an additional aid to the sinking fund, being saved by the first payment | 1,440,000. |
|                                                                                                                                                           | <hr/>      |
| Carried over,                                                                                                                                             | 7,440,000. |

\* The whole expence of the civil department of the government for the year 1795, is estimated at 464,753 dollars and 66 cents.

|                                                                                                                 |                         |                   |
|-----------------------------------------------------------------------------------------------------------------|-------------------------|-------------------|
|                                                                                                                 | <i>Brought forward,</i> | 7,440,000         |
| Sum paid the second year, 6,000,000 and 360,000 dollars, the interest on the sum redeemed last year, amounts to |                         | 6,360,000         |
| Three years interest on 6,360,000 at 6 per cent. per ann.                                                       |                         | 1,144,800         |
| Sum paid the third year 6,360,000 dollars, and 381,600 dollars, the interest on the sum redeemed last year      |                         | 6,741,600         |
| Two years interest on 6,741,600 dollars at 6 per cent.                                                          |                         | 808,992           |
| Sum paid the fourth year, as before shewn                                                                       |                         | 7,146,096         |
| One years interest thereon                                                                                      |                         | 428,760           |
| Sum paid the fifth year, as before shewn                                                                        |                         | 7,574,856         |
| Remains to be paid the sixth year                                                                               |                         | 2,354,996         |
|                                                                                                                 | Dollars,                | <u>40,000,000</u> |

Thus it will appear that in *less* than *eleven* years, by the proper application of the *present* funds of the United States, *if they be really as productive as they have been stated to be*, we may, unless plunged into new expences by new wars, which heaven forbid ! pay off the present debt of the United States, without the smallest additional burthen to the people ; and without recourse to the sale of the territory belonging to the United States ; which may be regarded as a precious mine of national wealth, which it would be highly imprudent to alienate, or even to open, whilst the ordinary revenue of the States is commensurate to the demands against them. Let it not be supposed, that, like a miser, I would recommend this treasure to be perpetually locked up ; it is the improvident waste, and not the necessary use of it, that I propose to guard against. For the Western Territory is to be considered not only as a fund of actual *wealth*, to the United States, but of *population* and *strength* to the Union. Yet an improvident use of it, may produce the very reverse of these advantages, by substituting *poverty* for *wealth* ; a *depopulated* country for one *populous* ; and *weakness* for *strength*.

1. The Western Territory is to be regarded as a national stock of wealth; it may be compared to bullion, or coin deposited in the vaults of a bank, which, although it produces no *present* profit, *secures the credit of the institution, and is ready to answer any emergency* : with this advantage in favour of the *lands*, that their value must increase with population, whereas the money in bank not circulated, gains no interest. And with this disadvantage also, respecting the *lands*, that *when sold, both principal and interest are gone for ever* ; whereas the bullion may again return to the bank ; but the price of the lands can never be vested in any other subject with equal advantage. If then Congress, instead of applying the *annual revenue* of the United States to the redemption of the national debt, should sell the lands at a *low value*, would not this be a most improvident sacrifice of a *principal* which could *never be renewed*, by any application of the *annual revenue*, which of itself is sufficient to answer the requisite purpose? For we are well apprised, that the sale of lands at present when the market hath been glutted from the land offices of the several states,\* must necessarily be for a very inconsiderable price, compared with their actual value, and that price which in the course of a very few years they will unquestionably command; prudence then would dictate that they be not offered for sale at the moment they are at the lowest ebb of depreciation. Let us suppose the whole sold at once; to the full amount of the debt, at the price given by those who purchased several millions of the late Congress, which I think was a dollar per acre.†—80,000,000, of acres! more than all Virginia, Kentucky, and the desert between them! probably more than Great Britain contains! more than one third of France, the nurse of 26,000,000 of people! and for what shall this immense territory be given? For a debt which the *present revenues* of the United States can discharge in less than *eleven years* ; and for ten times the amount of which the *same* territory could not be repurchased at the end of that period. What a horrid waste of national wealth doth this statement present to our view!

Again, if the lands be sold, *as heretofore*, in very large tracts, *only*, it will either depreciate, or retard the sale of the remain-

\* These speculations have been greatly increased since this pamphlet was first printed. I lately heard a speculator in lands say to his friend, "I have sold 1,700,000 acres of land, and 36,000 of that quantity were worth all the rest." What a scene of villainy does this speech give a clue to!!!

† This is probably a mistake—see the note, page 10th.

der, or produce still worfe effects. For if it be fold in large tracts to *speculators, who mean to sell again*, they must have an *abatement* in the price, that they may be able to make *their profit* upon the speculation.—Hence a double source of depreciation; for by this means the quantity at market will be so much increased, that the disposal of the remainder in the hands of government, must depend upon the completion of the speculator's schemes, by which he may be encouraged, and enabled to make a new speculation. The purchasers from the late Congress are said to have completed their sales, and are probably ready for a *new speculation*. Those who purchased from them, paid a very considerable advance, perhaps *double or treble the real value*, of the first purchase. Hence another evil. The industrious farmer who wishes to settle, and to cultivate the lands, *cannot obtain them at prime cost*; being unable to accomplish the purchase of a larger tract than he means to occupy: *poor men* are therefore wholly *excluded from the market*, which is only open to the *rich who buy to sell again*—or for *other* purposes that will be hereafter mentioned. If it be said that *poor men* may unite themselves in companies, and thus make large purchases, which they may divide among themselves, the answer is, that the *rich* can always out-bid them, and will find it their interest to do so; and this will most assuredly produce the effect.

2. A precipitate sale of the western lands will tend to depopulate the *present states* in the union, and consequently *weaken*, instead of *strengthening* the nation.

For when we recollect what has already happened by the settlement of Kentucky, and the territory both south, and north-west of the Ohio, under all the disadvantages, that have attended such settlements, we must immediately see, that such a measure would operate as a *drain* from the Atlantic states, where there is yet a very large portion of lands, uncultivated, which would in all probability be improved, if there were not other lands, *reputed* of superior quality, to be had *cheaper*, which serve as a temptation to the husbandman to quit his present establishment: this will have the further effect of *depreciating the value of lands in those states*; a circumstance which the *landholders* therein, may consider as not unworthy of their attention. Nor can it be denied, that instead of *promoting and encreasing population*, it would only promote a still more *dispersed location*, than already prevails among us: a circumstance not very desirable in a country, where there is more than four times the quantity of land necessary for the present number of inhabitants. The improve-

ments of agriculture, and the increase of population do not always go hand in hand, with the extent of location. On the contrary, in a country not overstocked with inhabitants, the improvements of agriculture increase with population, and *these* in their turn contribute not a little to the advancement of commerce, the acquisition of the comforts of life, and the increase of population,

“*Nam sine Cerere et Baccho friget Venus.*”

It is one thing therefore to encourage population and agriculture, and another to settle an uninhabited country, at the expence of another, not yet sufficiently populous. For experience proves, as I have already said, that population, agriculture, and commerce minister to each other. If this be true, the sale of the western lands, may be attended with very serious and pernicious consequences, to the present states in the union, *in their present state of population*, without any chance of retribution; for it is obvious, that the application of that labour to the settlement of a *remote* territory, which might have been advantageously employed in one more contiguous to commerce, must weaken the latter, without producing equal returns from the former; the productions of the transmontane territory, whenever they have a superfluity, will find a vent through the mouth of the Mississippi, or the St. Lawrence, and their supplies will be derived from foreign countries through the same channels, to the prejudice of the commerce of the present states in the union. The remonstrances of Kentucky may shew that this is the hope and expectation, of the whole people west of the Allegheny. The question then is, whether the Atlantic states would do wisely to pursue a measure, not only tending to depreciate their own lands, but destructive to their population, and ruinous to their commerce. Were these disadvantages balanced against the payment of the national debt, from the present funds of the United States, I am inclined to believe they would greatly preponderate. For, the national debt, as we have seen, may in a few years be discharged, without any additional burthens on the people: and no good citizen will complain of the present, if they be continued for *that purpose only*.

What I have said respecting the diminution of the commerce of the Atlantic states, will equally shew the diminution of revenue, arising from commerce, in the same proportion; and this too without any retribution, nor shall we gain much from the excise, in exchange for the revenue arising from commerce, if we may

judge from the product of the excise in those parts of the states which are thinly inhabited: and should Congress have recourse to *direct* taxes, as the proportion of them depends altogether upon the census, the inhabitants of the Western Territory would pay no *more* than if they had remained in their former settlements in the Atlantic states; but from the difficulties of collection they may pay *less*; a circumstance not much in favour of the measure.

If, from what I have said, it appears that the sale of the western lands is not a measure of *necessity*, for the redemption of the public debt; if it appear that such a measure at *this time*, would be attended with an immense waste of the *national stock of wealth*: if it would tend to depopulate and weaken the Atlantic states: to lessen the value of lands therein; to retard the improvement of agriculture; to divert commerce from her present advantageous channels; and to lessen the revenue arising therefrom; there is yet another point of view in which the subject may be placed, that may render the expediency of *enticing* the inhabitants of the Atlantic states, (which first *wholly* composed, and now *principally* compose the union) to migrate from thence, and *found new states, in a different part of the continent*, still more questionable. For, if the spirit of migration, already too high in most of the states, be encouraged by the flattering prospect of purchasing valuable lands at an under-rate, it is obvious that as *their* numbers increase in the *newly formed states*, the numbers in the *present states* will *diminish*; hence, as representation and population are inseparably connected by the constitution of the United States, the representation of the *present states* in Congress will *decline*, in proportion as that of the *new states* *increases*. The consequence is obvious.—Let those who are acquainted with the rapid population of Kentucky, her almost instantaneous change from a desert district of Virginia to be a member of the federal union, with a representation equal to the state of Georgia, testify that this is not a groundless conclusion. But I shall be told that European emigrants will settle this country, without draining the present states of their inhabitants. If this be true, it calls for an additional caution: a rapid population by people equally strangers to the language, government, laws, and policy of this country, and to the habits of the people, and of each other, cherishing perhaps inveterate prejudices on every subject, and bound together by no common tie but that of government, would probably realize in this western hemisphere the confusions which similar causes are said to have produced at Babel. Could an union of government with such a variegated people be desira-

ble, or capable of being maintained? I think not. If America is to be the asylum of the fugitives from Europe, there is land in abundance in *the several states*, for their accommodation; and by being distributed among the people of these states in small numbers, they may acquire an earlier acquaintance with the principles of our government, laws, manners, and language than could possibly be effected in a distinct settlement. One or two generations would render us one people, or if some vestiges of difference should still remain, they would have nothing formidable in their aspect.\*

There remains another light in which this measure may be viewed, that in this enlightened age, when a belief in giants, hobgoblins, chimeras, and other monsters of a distempered brain, is completely exploded, I am almost afraid to mention, lest I should be supposed to have paid a visit lately to the cave of *Montefinos*, and to have returned from thence as completely disordered in my intellects, as the famous knight of *La Mancha* himself: but protesting most solemnly that I have not visited any such place, nor, willingly,

“Ate of that insane root,

“That takes the reason prisoner.”

I shall shortly observe, that the foundations of the modern aristocratic families in the various parts of Europe, were laid in

\* Since this pamphlet was first printed, I have been favoured with a sight of the late secretary of the treasury's report, read in Congress, Jan. 19, 1795; in which he states the quantity of lands for sale at 21,000,000 of acres, which, as he observes, at twenty cents per acre, the price upon former occasions contemplated, would yield a sum of 4,200,000 dollars. But, he adds, it would be unsafe to count upon so large a sum. “If it ultimately yields three millions of dollars, it will probably equal every reasonable expectation.”

The military establishment of the United States for the year 1795, amounts to 1,469,439 dollars and 29 cents, exclusive of the expence of the militia under general Morgan, and military pensions, amounting to the further sum of 186,039 dollars and 4 cents. The former sum appears to be in a great measure appropriated to the support of an army for the defence and protection of this territory. TWO YEARS expence, according to the secretary's estimate, would completely swallow up the *purchase-money*. Could the wit of man devise a more ruinous measure than to dispose of these lands, at such a rate, to persons to whom we must guarantee the peaceable enjoyment of their *purchase*? Would it not be the surest, the readiest, the most obvious means of intailing upon us and our posterity, perpetual warfare, a perpetual army, and a perpetual encreasing national debt?

the *immense grants of lands*, formerly made by princes to their favourites and adherents; which being parcelled out among a dependant tenantry, have in process of time become baronies, dukedoms, and principalities. If the territory of the United States be granted, in like manner, to a few rich, and ambitious men, disposed to aggrandize themselves and their posterity, the seeds of an aristocracy will be sown, which it will require nothing but time to bring to a most vigorous maturity. If, for example, a fortunate speculator in the funds of the United States should choose to realize his wealth, in the purchase of half a million, or a million of acres of land, (and there are those, I am told, who can easily accomplish such a purchase,) this property, transmitted unimpaired for a century or two to his posterity, would probably exhibit in the descendant of a *script-monger*, or a *change alley-broker*, the possessor of an estate, equal to that of a British peer, or a German prince; with as numerous a train of *tenants* and *dependants*, at once the *symbols* and *tools* of his political influence and consequence. I claim no merit for this fancy-piece, if it be called one: I confess that I am indebted to *three* persons in the state of New-York both for the features, and the colouring.—There, I am told, that *three* men, solely from considerations of *dependency*, can influence *as many thousands*. I may be told in triumph, that New-York possesses one of the most democratic constitutions of any state in the union! Long may it preserve it, in spite of that latent *poison* which threatens to convulse, if not destroy it! The only *antidote* will be found in the division and subdivision of those manors, or *landgravates*, which now confer upon their owners an influence, so incompatible with a true republican government; and this can probably be effected in no other mode, than such as has already been adopted in several of the states, viz. the *abolition* of *estates tail*; of the *preference* to the *male stock*; and of the *right* of *primogeniture*: and *establishing*, in lieu thereof, an *equal partition* of *estates* among *all the children*, or nearest relations of persons intestate. And if Congress have power to establish *these* regulations in the western territory of the United States, (of which I see not much reason to doubt,) they ought to constitute a part of the *fundamental laws* of that country, whenever it shall be settled. Without some such precaution, I could prophecy—but, like *Cassandra*, I should be disregarded.

Quitting then this unpleasant anticipation, I shall add a few words more on the necessity of selling the western lands, if Congress proceed to adopt the report\* of their committee for conti-

\* They have since done it—the augmentation of the revenue in consequence of it must be very considerable.

nuing the present duties until the year 1800, or 1802. In this case it will be evident from the statement in the first part of this essay, that *one half* of the national debt may be paid *before* the end of the latter period: consequently the reasons against selling the lands at *present* are greatly strengthened thereby: and at the end of that period, there can be still less *necessity* to throw away the lands to redeem a debt which the *existing funds* would redeem in less than six years. In *twenty years time*, *perhaps*, the encreasing population of the United States may have so far settled the lands within the limits of the several States, as to make it expedient to open the land office of the United States, under certain restrictions and limitations. For, I repeat, that there is a wide distinction between *population* and *location*. In Connecticut, and perhaps in the other eastern states, this distinction appears to have been well understood, and wisely attended to: lands were not suffered to be promiscuously taken up, in every quarter of the country, according to the caprice of the land-monger. They were laid off into small townships, and a second township was never disposed of, until the former was settled. Hence *location* and *population* went hand in hand there: very different was the conduct of Virginia in her grants of lands. The consequence is obvious—Connecticut is a well peopled state, where property is divided into small portions, yet is amply sufficient for the support of its inhabitants: its agriculture is highly improved, and the conveniences of life are plentifully distributed throughout the state, in nearly equal portions. Virginia on the contrary, appears to be an immense desert, in which the traveller here and there meets with some vestiges of population, which he loses sight of again for miles together. Had the same plan been pursued there that was in Connecticut, the population of the state would probably, for many years to come, have been limited by the Allegheny mountains; nor would she have resigned forty or fifty thousand of her inhabitants to a newly erected state, because her territory was too extensive, even to support a safe communication between its several parts.—Congress, it is hoped, whenever they sell the lands, will embrace the example of Connecticut: the Western Territory will in that case become a real source of wealth and strength to the United States. The following regulations will contribute to this end, if duly attended to.

1. Let the lands be divided, as in Connecticut, into small townships, not exceeding five thousand, or at the utmost limits, ten thousand acres. Let them be subdivided into lots not exceeding two hundred acres.

2. Let it be required that each lot shall be settled, and improved within a limited time, or become forfeited to the United States.

3. Let the townships be numbered according to their proximity to the United States now settled: let not a second township be sold, until the former is disposed of, &c.

5. Let not more than one hundred townships, or one million of acres be sold in any one year.

5. Let the lands in the several townships be surveyed, and the lots classed according to their value. Let their valuation be published for six months at least before the sale: let them be sold separately in lots, at public auction, to the highest bidder, but not under the valuation.

6. Let no grant be made until the terms of sale, and of settlement and improvement have been complied with.

If in addition to these regulations, the fundamental laws of the *new states* shall subject lands to the payment of debts; abolish entails, the right of primogeniture, and the preference to males; and establish descents in parcenary; the evils to be apprehended from the sale of the Western Territory may be avoided; otherwise they will be realized.

COLUMBUS.

VIRGINIA, *January 30, 1795.*

2. The first condition is that the value of the property should be ascertained at the time of the valuation.

3. The second condition is that the value of the property should be ascertained at the time of the valuation.

4. The third condition is that the value of the property should be ascertained at the time of the valuation.

5. The fourth condition is that the value of the property should be ascertained at the time of the valuation.

6. The fifth condition is that the value of the property should be ascertained at the time of the valuation.

7. The sixth condition is that the value of the property should be ascertained at the time of the valuation.

8. The seventh condition is that the value of the property should be ascertained at the time of the valuation.

9. The eighth condition is that the value of the property should be ascertained at the time of the valuation.

10. The ninth condition is that the value of the property should be ascertained at the time of the valuation.

11. The tenth condition is that the value of the property should be ascertained at the time of the valuation.

12. The eleventh condition is that the value of the property should be ascertained at the time of the valuation.